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July 31, 1957

EDAC Working Group II, Diversion Control PanelSupplement to Diversion Control Panel Case
Inventory

<u>DCP</u> <u>Case No.</u>	<u>Name</u>	<u>Reference</u>
455	Nickel Sweden/Netherlands/Switzerland Nyman & Schultz/Gen'l Transport	GA-9562, 5/14/57 Stockholm D-1273, 5/16/57 The Hague D-820, 6/7/57 Stockholm D-1433, 5/20/57 Copenhagen D-987, 6/14/57 Paris POLTO A-3, 7/3/57 GA-406, 7/12/57

These reports indicate a pattern of nickel diversions in which nickel has been shipped from Stockholm by A/B Skandiatransport, eventually arriving in consolidated freight cars in Basel. It is not clear whether the nickel has been actually loaded in the consolidated freight cars at Stockholm or whether it has been first shipped to Rotterdam where it is put in the freight cars. The consignor is Nyman and Schultz and the consignee its Swiss agent, Hans Im Obersteg, Basel. In Basel the nickel has been turned over to General Transport by instruction of Nyman and Schultz, and it is then presumably forwarded to the Soviet Bloc. Since the nickel arrives in Switzerland as goods in transit, it does not need a Swiss "Blue" certificate. Between March 1956 and February 1957 there were 23 shipments, amounting to 64,286 kilos of nickel. The origin of the nickel is not known. The substance of the information has been discussed with Netherlands and Swedish authorities. It is planned also to present the matter to COCOM.

State Dept. declassification & release instructions on file

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<u>DCP</u> <u>Case No.</u>	<u>Name</u>	<u>Reference</u>
456	Cobalt US/Germany/Switzerland/ Austria/Czechoslovakia Mueller/Pavarin	Athens T-3388, 4/9/57 Athens D-709, 4/11/57 Athens D-814, Paris D-2009, 4/23/57 Deptel 4309, to Athens, 5/7/57 Basel D-85, 6/19/57 Deptel 4434 to Athens, 6/20/57 Athens T-25, 7/2/57 Basel D-89, 6/28/57 Deptel 104 to Athens, 7/9/57 Athens T-140, 7/12/57 Rome D-75, 7/12/57 Paris T-138, 7/15/57 Deptel 231 to Athens, 7/19/57 Paris POLTO 211, 7/22/57 Athens T-248, 7/22/57 Paris POLTO 247, 7/25/57

Embassy Athens was informed that 50 tons of cobalt alleged to be of US origin had been accumulated in Hamburg from shipments of small lots and that there is a group which plans to divert the quantity remaining in Hamburg to Czechoslovakia through various intermediaries. Thirty-five of the 50 tons are alleged to have already left Hamburg. The principal agents are identified by the source as Mueller in Switzerland and Pavarin in Paris, the latter to finance the transaction. The German export license would be sought on the basis of a Lebanese end-use certificate. Instead of being shipped to Lebanon, the cobalt would go to Switzerland, and would be shipped from there to Czechoslovakia via Austria. Efforts are being made by the US to obtain additional information from the source including the identity of the Hamburg bank, party having custody of the cobalt, German firms involved, name of exporter, means and dates of shipment to Hamburg. There is as yet no confirmation of the validity of the report nor has the information been called to the attention of German authorities.

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DCP

Case No.

Name

Reference

457

Electronic Equipment
Spain/UK/Switzerland/China
Polycomex/AB Gomboa/Marfa S.A.
Toubkin/Farner Werke AG/Botex

Vienna T-1151, 3/8/57
Basel D-75, 4/18/57
Paris D-2232, 5/28/57
CA-10117, 5/29/57
Paris D-2298, 6/6/57
Paris D-2354, 6/17/57
London D-3158, 6/13/57
Barcelona D-53, 6/19/57
London D-3249, 6/21/57
Barcelona D-55, 6/27/57
Basel D-1, 7/2/57
London D-90, 7/10/57
CA-310, 7/10/57
CA-407, 7/12/57
CA-416, 7/12/57
CA-536, 7/17/57
Frankfurt D-27, 7/17/57
London T-546, 7/19/57
London T-601, 7/22/57
Bern T-66, 7/22/57
Bern T-92, 7/26/57

Messages from AmEmbassies Vienna and Paris report information received from a well placed source who stated that various electronic and other strategic items (which he identified by nomenclature and US, UK, German, Netherlands, and French manufacture) had been and were to be shipped to an unknown recipient who, in turn, forwarded the goods to AB Gomboa, Geneva, for the account of Polycomex, Lausanne, whence the goods were forwarded to China. The US origin items identified by the source were licensed for use in Spain and investigations have been made by ConGen Barcelona. Thus far there has been no verification of the end-use of the items in Spain. Embassy London is seeking to verify delivery of US items ordered by J. Toubkin, London, for delivery to Spain and its discussions with UK authorities have led to an investigation by the UK. Information on items identified in the source's report as of UK, German, Netherlands, and French origin has been transmitted to US posts overseas for referral to the local governments concerned.

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<u>DCP Case No.</u>	<u>Name</u>	<u>Reference</u>
458	Iron and Steel Scrap Turkey/Austria	Ankara T-2591, to Dept., 5/13/57 Ankara T-2664 to Dept., 5/23/57 Amsterdam T-45 to Dept., 5/15/57 Trieste T-116, 5/15/57 Amsterdam D-194, 6/18/57 Trieste D-2, 7/3/57

The Turkish Government requested the assistance of the U.S. in ascertaining the bonafides of consignees and tracing the shipment of 10,000 tons of iron and steel scrap from Turkey to Austria via Trieste and The Netherlands. Half of this quantity consisted of obsolete World War II tanks. Some of the scrap has already been shipped to Austria, and there is at present no indication of diversion to the bloc.

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